

End of Financial Year Planning for Farmers

Getting to balance date doesn't
need to be a scramble.



If you're in the busy Agricultural sector, you could be forgiven for being surprised every year when balance date looms.

Whether the end of your financial year is 31 May, 30 June or 31 July, the preparation for farming is the same.

There are many financial factors to take into consideration, and it can be easy to forget what you need to provide your accountant.

That's why we've put together a checklist of relevant information, and tasks, so you can ensure everything is in order and there are no unwanted surprises come your year end.



First things first

Talk to your accountant or bookkeeper, they'll tell you what you need to do before the end of your financial year. Including what you can claim for and what you can't.

Remember, tax time is busy for them too, so the more prepared you are, the smoother the process, and the better the result.

File your return on time.

Don't waste your hard-earned cash on unnecessary interest and penalties.

Get your accounts up to date, tidy up loose ends and file on time.

The following pages will help you gather the information that will make your accountants job much smoother.

Please provide the following records...

1. EMPLOYER - WAGES PAID TO EMPLOYEES

	Yes	N/A	Comments
Prepare a month by month summary of gross wages and PAYE deductions as returned to the IRD	<input type="checkbox"/>	<input type="checkbox"/>	
OR - Gather a copy of your Employer Monthly Deduction Schedules (IR 348).	<input type="checkbox"/>	<input type="checkbox"/>	
Supply a report for all deductions made for employees boarding / renting a house on the property	<input type="checkbox"/>	<input type="checkbox"/>	

We encourage you to add us to your payroll system, if not, please provide an annual leave liability report.

2. FRINGE BENEFIT TAX (FBT) RETURNS

	Yes	N/A	Comments
Supply copies of Fringe Benefit Tax (FBT) returns and work papers.	<input type="checkbox"/>	<input type="checkbox"/>	

3. INTEREST AND DIVIDEND CERTIFICATES

	Yes	N/A	Comments
Supply copies of certificates.	<input type="checkbox"/>	<input type="checkbox"/>	

4. FINAL BANK STATEMENT

	Yes	N/A	Comments
Supply a copy of your bank statement, including any savings, call or term deposit account, dated at your balance date or spanning this date.	<input type="checkbox"/>	<input type="checkbox"/>	

5. LOAN STATEMENT

	Yes	N/A	Comments
Supply a copy of any loan transaction statements for the financial year including up to your balance date. Note: We also need to see interest rates/maturity etc.	<input type="checkbox"/>	<input type="checkbox"/>	

6. BUSINESS EXPENSES

There are a number of invoices that we specifically require. Please ensure the records you provide us with include all paid accounts for:

Insurance premiums	<input type="checkbox"/>	<input type="checkbox"/>	
Legal fees	<input type="checkbox"/>	<input type="checkbox"/>	

7. GST

	Yes	N/A	Comments
Provide any manual GST workings	<input type="checkbox"/>	<input type="checkbox"/>	

8. INVESTMENTS & SHARES

	Yes	N/A	Comments
Provide confirmation of existing or new shares	<input type="checkbox"/>	<input type="checkbox"/>	

9. ACCOUNTS RECEIVABLE (DEBTORS) - We can provide a Debtor Schedule on request

Yes N/A Comments

A list of all accounts or amounts owing TO YOU at balance date, or identify these in your accounting software. Exclude any bad debts.

To enable bad debts to be excluded from income, these must be written off prior to balance date.

Note: Include any dairy statements, which are receivables in the month following balance date.

10. ACCOUNTS PAYABLE (CREDITORS) - We can provide a Creditor Schedule on request

Yes N/A Comments

A list of all accounts or amounts owed BY YOU at balance date, or identify these in your accounting software. We need to know name of creditor, amount and what the debt is for.

Holiday pay or bonuses paid within 63 days of your balance date may be included.

11. CASH INCOME NOT BANKED DURING YEAR

Yes N/A Details:

Proceeds received but not paid into your bank account or stock firm

	\$	
	\$	
	\$	
	\$	

12. CAPITAL EXPENDITURE

Yes N/A Comments

Attach details of assets purchased or sold during the year such as motor vehicles, plant and equipment and properties. Where applicable please provide the following details:

Hire purchase or loan agreements

Lease agreements

All legal statements and agreements

Trade-in details

Lost, stolen or scrapped items

Copy of Tax Invoices

A copy of last year's Asset and Depreciation Schedule is attached for your information. We suggest you review the schedule and indicate any assets that no longer exist.

13. LEGAL AND LOAN DOCUMENTS

Yes N/A Comments

Please include / attach the following:

Solicitor's statements and Sale and Purchase Agreements relating to any legal transactions during the year.

Statements and Agreements relating to any mortgages, hire purchase, leases or loans.

A copy of your latest Rateable Valuation for any properties you own.

14. LAND DEVELOPMENT AND IMPROVEMENT EXPENSES

Yes N/A Comments

Development expenditure includes clearing land, drainage, tracks, construction of roads, irrigation, supporting frames for crops, construction of fences (where there are no existing fences), etc. It can also include costs such as fertiliser or regrassing if you are undertaking a major conversion project.

Please provide full details if you have undertaken any work of this type.

Has any subdivision happened during the year?

Yes No

If yes, has subdivision been completed?

Yes No

If yes, has title been issued for the new subdivision?

Yes No

If yes, please provide new title and valuation documents

Yes No

15. LIVESTOCK - we can provide a Livestock Schedule on request

Provide a breakdown of all stock on & off farm at opening date and balance date:

List stock by type and age

Provide any sales and purchases information

Provide any births and deaths information

Details of any stock on grazing agreements or lease/finance

Details of any high priced stock

Details of peak cows milked during the season

Details of any horses

Include a copy of last year's Livestock Schedule (if applicable)

16. LAND USE

Yes N/A Comments

Details of effective hectares

ETS units on hand

17. LEASE PROPERTY

Yes N/A Comments

Please provide details of land area

Lease agreement documentation

18. CONTRACTORS

Do any contractors during the year needed withholding tax deducted?

Yes No N/A

If yes, please provide details.

Were contractors GST registered?

Yes No N/A

21. PRIVATE USE

Value of goods taken for private use at their cost price (excluding livestock).

GOODS TAKEN FOR OWN USE	QUANTITY	N/A	VALUE	
Sheep		<input type="checkbox"/>	\$	GST Incl <input type="checkbox"/> Excl <input type="checkbox"/>
Cattle		<input type="checkbox"/>	\$	GST Incl <input type="checkbox"/> Excl <input type="checkbox"/>
Pigs		<input type="checkbox"/>	\$	GST Incl <input type="checkbox"/> Excl <input type="checkbox"/>
Milk		<input type="checkbox"/>	\$	GST Incl <input type="checkbox"/> Excl <input type="checkbox"/>
Other		<input type="checkbox"/>	\$	GST Incl <input type="checkbox"/> Excl <input type="checkbox"/>

22. EXPENSES PAID IN CASH OR FROM PERSONAL FUNDS

Yes N/A Comments

Please provide a list if applicable

How many meals have you provided to contractors?

Note: morning / afternoon tea = 1/2

23. RESIDENTIAL LAND WITHHOLDING TAX

Yes N/A Comments

Have you sold residential property in New Zealand where Residential Land Withholding Tax has been deducted and paid to the IRD?

If so, provide details e.g. IR1100 Residential land withholding tax return and other sale and purchase documents.

24. RESIDENTIAL PROPERTY SALES

Yes N/A

Have you sold any residential property during the year (not otherwise detailed on the information provided)?

If yes, when was the property purchased?

If it was purchased with 5 years of the sale date:

What was the original purchase price?

\$

What was the sale price?

\$

25. RESEARCH AND DEVELOPMENT

Yes N/A Comments

If this entity is a company, have you spent significant amounts on research and development during the income year?

If so, provide ledger accounts and details of expenditure

26. MOTOR VEHICLES

The proportion of motor vehicle business use as established by your vehicle log book(s) is/are:

VEHICLE DESCRIPTION	BUSINESS KMS	TOTAL KMS	BUSINESS USE	FBT*
	kms	kms	%	Yes <input type="checkbox"/> No <input type="checkbox"/>
	kms	kms	%	Yes <input type="checkbox"/> No <input type="checkbox"/>
	kms	kms	%	Yes <input type="checkbox"/> No <input type="checkbox"/>
	kms	kms	%	Yes <input type="checkbox"/> No <input type="checkbox"/>

Please note that a detailed and accurate log book must be completed for a three month period every three years or vehicle expense claims will be limited to a maximum of 25% of expenses incurred.

* If you are operating as a Company, please indicate which vehicles you are currently paying Fringe Benefit tax for.

27. MIXED USE HOLIDAY HOME

Does this entity have a property (such as a holiday home or a bach) that is used privately and also to derive income? Yes No

If yes, provide details of property:

Was the property empty for 62 days in the income year? Yes No

If yes, please complete the following section so we can determine the amount of allowable deductions...

Mixed Use Holiday Home – Additional Information Required

The number of days the property was <u>empty</u> during the income year	days
The number of days the asset was used by family or associated persons* during the income year OR where income from any person received was less than 80% of market rate	days

* Associated persons include close relatives, or if owned by an entity, persons associated with the entity owning the property

Tenant Details (If there was more than one tenant who used the property through the year, please attach details)

Name of tenant:		
Relationship to owner (if any):		
Amount of rent they paid:	\$	
Dates rented (from → to)		

Expenses incurred in respect of the property (Note: the list below is not exhaustive – details of all expenses is required)

Cost of advertising for tenants	\$
Cost of repairing damages caused by tenants	\$
Number of days spent in the property while repairing damages caused by tenants	days
Mortgage interest	\$
Rates	\$
Insurance	\$
Repairs/maintenance for general wear and tear	\$
Other (provide details)	\$

28. MIXED USE BOAT OR PLANE

Does this entity have a boat or plane (with a market value of \$50,000 or greater), that is used privately and also to derive income? Yes No

If yes, provide details:

Description:

Market Value: \$

Was the asset unused for 62 days in the income year? Yes No

If yes, please complete the following section so we can determine the amount of allowable deductions...

Mixed Use Boat or Plane – Additional Information Required

The number of days the asset was unused during the income year

days

The number of days the asset was used by family or associated persons* during the income year OR where income from any person received was less than 80% of market rate

days

* Associated persons include close relatives, or if owned by an entity, persons associated with the entity owning the asset

For non-associated persons where payment received is at least 80% of market value:

Number of days the asset was used:

days

Income received:

\$

Expenses incurred in respect of the asset (Note: the list below is not exhaustive – details of all expenses is required)

Cost of advertising for hireage

\$

Cost of repairing damages caused by hireage

\$

Operating costs / supplies

\$

Insurance

\$

Rates

\$

Repairs/maintenance for general wear and tear

\$

Other (provide details)

\$

29. ADDITIONAL COMMENTS

Is there anything unusual or extra you wish to notify us of? If so, please use this page to provide.
Please reference the section numbers where applicable.



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